
HOUSE BILL 2356

State of Washington 60th Legislature 2007 Regular Session

By Representatives Curtis, Haler, Schindler and Ericksen

Read first time 02/26/2007. Referred to Committee on Appropriations.

1 AN ACT Relating to replacing school impact fees and providing
2 additional revenue to high growth school districts; amending RCW
3 82.45.060 and 82.02.090; adding a new section to chapter 43.08 RCW;
4 adding a new section to chapter 28A.300 RCW; and creating a new
5 section.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 **Sec. 1.** RCW 82.45.060 and 2005 c 450 s 1 are each amended to read
8 as follows:

9 There is imposed an excise tax upon each sale of real property at
10 the rate of one and twenty-eight one-hundredths percent of the selling
11 price. An amount equal to six and one-tenth percent of the proceeds of
12 this tax to the state treasurer shall be deposited in the public works
13 assistance account created in RCW 43.155.050. An amount equal to one
14 and six-tenths percent of the proceeds of this tax to the state
15 treasurer shall be deposited in the city-county assistance account
16 created in RCW 43.08.290. By April 1st of each fiscal year, an amount
17 equal to one hundred fifty million dollars and an additional amount
18 determined under section 2 of this act shall be deposited in the high

1 growth school district assistance account created in section 2 of this
2 act.

3 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.08 RCW
4 to read as follows:

5 (1) The high growth school district assistance account is created
6 in the state treasury. All receipts from RCW 82.45.060 must be
7 deposited in the account. Moneys in the account may be spent only
8 after appropriation. Expenditures from the account must be used solely
9 for system improvements for school facilities within high growth
10 districts.

11 (2) By June 30th of each fiscal year, the state treasurer shall
12 distribute money in the account in the following manner:

13 (a) Fifty million dollars shall be distributed to each school
14 district that received impact fees during the 2006-07 school year based
15 on the amount of impact fees received that year as provided by the
16 office of the superintendent of public instruction;

17 (b) An additional amount shall be distributed to each high growth
18 school district that received impact fees during the 2006-07 school
19 year equal to twenty-five percent of the impact fees received that year
20 as provided by the office of the superintendent of public instruction;
21 and

22 (c) An additional amount shall be distributed to any high growth
23 school district that did not receive impact fees in the 2006-07 school
24 year. The amount is equal to the total number of actual full-time
25 equivalent students in the school district as of May 1st multiplied by
26 the product of twenty-five percent and the average statewide impact
27 fees per actual full-time equivalent students as of May 1st. This
28 amount shall be based on the amount of impact fees collected in the
29 preceding calendar year and the number of actual full-time equivalent
30 students in the current school year as of May 1st.

31 (3) For the purposes of this section, the following definitions
32 apply:

33 (a) "High growth" means actual enrollment, as provided by the
34 office of the superintendent of public instruction, on May 1st of the
35 current school year that is at least ten percent greater than
36 enrollment on May 1st of the school year three years prior to the
37 current school year.

1 (b) "Impact fee" means a fee imposed pursuant to RCW 82.02.050
2 through 82.02.090 for system improvements for school facilities.

3 (c) "System improvement" means the same as in RCW 82.02.090.

4 **Sec. 3.** RCW 82.02.090 and 1990 1st ex.s. c 17 s 48 are each
5 amended to read as follows:

6 Unless the context clearly requires otherwise, the following
7 definitions shall apply in RCW 82.02.050 through 82.02.090:

8 (1) "Development activity" means any construction or expansion of
9 a building, structure, or use, any change in use of a building or
10 structure, or any changes in the use of land, that creates additional
11 demand and need for public facilities.

12 (2) "Development approval" means any written authorization from a
13 county, city, or town which authorizes the commencement of development
14 activity.

15 (3) "Impact fee" means a payment of money imposed upon development
16 as a condition of development approval to pay for public facilities
17 needed to serve new growth and development, and that is reasonably
18 related to the new development that creates additional demand and need
19 for public facilities, that is a proportionate share of the cost of the
20 public facilities, and that is used for facilities that reasonably
21 benefit the new development. "Impact fee" does not include a
22 reasonable permit or application fee.

23 (4) "Owner" means the owner of record of real property, although
24 when real property is being purchased under a real estate contract, the
25 purchaser shall be considered the owner of the real property if the
26 contract is recorded.

27 (5) "Proportionate share" means that portion of the cost of public
28 facility improvements that are reasonably related to the service
29 demands and needs of new development.

30 (6) "Project improvements" mean site improvements and facilities
31 that are planned and designed to provide service for a particular
32 development project and that are necessary for the use and convenience
33 of the occupants or users of the project, and are not system
34 improvements. No improvement or facility included in a capital
35 facilities plan approved by the governing body of the county, city, or
36 town shall be considered a project improvement.

1 (7) "Public facilities" means the following capital facilities
2 owned or operated by government entities: (a) Public streets and
3 roads; (b) publicly owned parks, open space, and recreation facilities;
4 and (c) (~~school facilities; and (d)~~) fire protection facilities in
5 jurisdictions that are not part of a fire district.

6 (8) "Service area" means a geographic area defined by a county,
7 city, town, or intergovernmental agreement in which a defined set of
8 public facilities provide service to development within the area.
9 Service areas shall be designated on the basis of sound planning or
10 engineering principles.

11 (9) "System improvements" mean public facilities that are included
12 in the capital facilities plan and are designed to provide service to
13 service areas within the community at large, in contrast to project
14 improvements.

15 NEW SECTION. Sec. 4. A new section is added to chapter 28A.300
16 RCW to read as follows:

17 By December 1, 2007, the superintendent of public instruction shall
18 prepare a report to the appropriate committees of the house of
19 representatives and senate on the amount of impact fees as defined in
20 RCW 82.02.090 and mitigation fees pursuant to RCW 43.21C.060 received
21 by each school district in the 2006-07 school year.

22 NEW SECTION. Sec. 5. On or after the effective date of this act,
23 cities and counties may not impose impact fees for system improvements
24 for school facilities.

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